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United States and Egypt Hold Trade Forum to Reinvigorate Trade

WASHINGTON - U.S. Trade Representative Robert B. Zoellick and Egyptian Foreign Trade Minister Youssef Boutros Ghali met yesterday afternoon to discuss ways to expand U.S.-Egyptian economic ties and promote Egypt's economic reform program. The meeting took place under the auspices of the U.S.-Egypt TIFA Council, a joint body created by the U.S.-Egypt Trade and Investment Framework Agreement (TIFA).

"Increased trade and investment will play a key role in strengthening the vital strategic relationship we share with Egypt," said Zoellick. "Egypt has long been a key U.S. partner in promoting peace and stability in the Middle East, and I look forward to broadening the economic side of our relationship. Expanding trade will give Americans better access to the Middle East's most populous market, while generating economic growth that is critical to Egypt's long-term future prosperity and development."

"Egyptian efforts to further reform their economy and their support for further trade liberalization in the ongoing Doha global trade negotiations are important signs that Egypt is focused on economic development, and the United States stands ready to work with Egypt as they move forward," added Zoellick.

The United States has TIFA agreements with a number of countries in order to strengthen bilateral trade and support economic reform through regular senior-level discussions on commercial and economic issues. Today's discussions follow-up on Zoellick's June 2002 visit to Cairo, the first to Egypt by a U.S. Trade Representative.

Zoellick explored with Minister Boutros Ghali ways to use the TIFA to enhance the bilateral economic trade relationship, including through a possible free trade agreement. They agreed that the two governments would form working groups to facilitate rapid progress on priority trade and investment issues in such areas Customs Administration, Government Procurement, and Sanitary and Phytosanitary issues related to agricultural trade. They also discussed expanded U.S.-Egypt cooperation on issues related to the Doha Development Agenda agreed to at the November 2001 World Trade Organization ministerial. In addition, the two trade officials reviewed recent progress in Egypt's on-going economic reform program in which United States plays a major role

through assistance by the U.S. Agency for International Development.

Zoellick and Boutros Ghali reviewed efforts to resolve problems affecting U.S. firms and investors in Egypt. They also affirmed their intention to maintain regular senior-level discussions in order to accelerate progress on trade and investment issues. They agreed that the two sides would try to meet in spring 2003.

Egypt is currently our 44th largest goods trading partner. In 2001 U.S. goods exports to Egypt totaled \$3.6 billion. U.S. imports from Egypt were \$882 million. Egypt is one of the biggest customers in the world for U.S. corn and wheat, purchasing \$786 million in these products in 2001. Other major U.S. exports to Egypt in 2001 included aircraft (\$828 million), machinery (\$404 million), plastic (\$286 million), and vehicles (\$240 million).

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